**Report from Oxford City Council Labour Group**

**Budget for 2019/20**

Government grant is reducing to **zero** in 2019, low interest rates mean less investment income, and our other sources of income are also at risk in this more uncertain economic period.

However, we are once again proposing a **fully balanced four-year budget**, which **retains front-line services in full**, **continues to support the most vulnerable**, **including extra spending towards our aim of ending homelessness and support for the Oxford Living Wage**, and **includes £117 million of capital investment over the four-year period**.

At the heart of this decision is the “Oxford Model”, where, rather than choosing to outsource services, we instead “in-source” work to our excellent, wholly-owned company Oxford Direct Services Limited (ODSL), from other public and private bodies.

Next year, a “dividend” of over £1.5 million for Oxford City Council is projected from the organisation, which will enable us to support front-line services.  As part of our budget we will be investing into modernisation of ODSL with a view to increasing the dividend to over £3 million per annum by 2022/23. Clearly Oxford City Council, as the sole shareholder, will guide the company carefully and keep this projected dividend under review, but we believe this distinctive approach shows the benefits of “insourcing” rather than “outsourcing” work and placing faith in the talents of council and ODSL staff.

As part of this approach, we are also determined to ensure Council spend is of wider benefit: assessment of social value will now be routinely included in procurement decisions, and of course our commitment to the Oxford Living Wage will be clearly communicated to potential partners.

There are other important areas to highlight:

* we will continue to provide a Council Tax Reduction Scheme, in full, for those on low incomes;
* we propose additional promotion of the Oxford Living Wage towards local businesses and other organisations, as well as paying it to our own workforce;
* we propose an “accessibility app” to make the city easier for people with a disability to use fully;
* we are confirming additional funding of £200,000 towards homelessness a year, as proposed in last year’s budget, to be implemented from April 2019,
* leisure services will be made available for free to homeless pathway clients;
* we are reviewing how best to use the government’s welcome decision to lift the restriction on borrowing in the Housing Revenue Account, and how both this, and our local housing company Oxford City Housing Ltd., can help address the city’s housing shortage;
* there is no increase in park and ride charges;
* a “crèche” will be trialled at Ferry Leisure Centre;
* three drinking fountains will be installed in parks as part of our commitment to reduce plastic waste.

We are intending to take money from our reserve fund for homelessness to refurbish a council owned building at Floyds Row and provide support and emergency accommodation for rough sleepers there (see housing below). We also intend to use the Housing Revenue Account (HRA) budget to buy nine new properties “off plan”, for use as social housing.

In the coming months, we will undertake a major piece of work to assess how we can make use of the government’s surprise announcement that we can borrow against our HRA to invest in social housing, whilst also deliver a return from our Local Housing Company which is part of our financial planning.

Clearly, there are difficult decisions – for instance, we are proposing to phase out our subsidy to “Experience Oxfordshire” over the next three years, and there are modest increases in other charges.  However, by being willing to prioritise, we are able to safeguard the front-line services and in particular support the most vulnerable in Oxford.

We believe our budget helps make Oxford a fairer, more equal and more sustainable city.

**Tackling Homelessness**

Oxford City Council has applied for planning permission to enable us to develop a new homeless assessment hub and provide winter-long emergency accommodation open to all rough sleepers. The former jobcentre at 1 Floyds Row will become a daytime support and assessment centre for rough sleepers and people at risk of homelessness – providing them with support with drug, alcohol and housing issues. The centre would also include emergency and short term accommodation for up to 60 rough sleepers.

We are seeking government funding to allow us to deliver the new assessment service. We have already committed to ensure that the building can be used as an emergency shelter for anyone sleeping rough next winter – including people with no local connection to Oxford or without recourse to public funds.

The council aims to refurbish the Floyds Row building – which it owns and has been empty since November 2017 – in order to open in autumn 2019. The new centre forms an important part of the council’s wider plans to reshape services in order to meet its ambition that nobody should have to sleep rough in Oxford.

We have already managed to secure more than £1 million in temporary Rough Sleeper Initiative (RSI) funding to provide extra beds and services this winter and next. RSI funded services include a multi-agency hub enabling better assessment and engagement with rough sleepers, dedicated pre-recovery and women-only housing projects, and winter provision for people with no local connection or recourse to public funds. The council aims to provide personalised housing plans for all rough sleepers and people at risk of rough sleeping.

Opening services to people without a local connection or recourse to public funds will require a wider range of move on options – including homes at social rent with floating support in place, and better provision for women and people with drug and alcohol issues. This will also require substantial additional funding.

The council also aims to provide better support for people as they move from the street to long term and sustainable housing. This includes navigators for chronic and entrenched rough sleepers and floating support to allow people to sustain their tenancies.

Delivering the new support and assessment centre would mean some changes to existing commissioned services, which the council is discussing with providers.

To finance Floyds Row and the remodelling of its adult homeless pathway, the council is seeking funding from the Ministry of Housing, Communities and Local Government through its Rapid Rehousing Pathway and Private Rented Sector Access funds.

Based on the [No First/Second Night Out](http://www.nosecondnightout.org.uk/) service model that operates successfully in London, the new service and related service developments would:

* strengthen exit routes for people not eligible for Oxford’s adult homeless pathway – this would include reconnection to areas a rough sleeper has a local connection with, and access to other pathways;
* ensure that supported accommodation in Oxford is given to people in greatest need;
* improve the responsiveness and effectiveness of supported accommodation services;
* ensure that commissioned services reflect the need of the client cohort including, people with drug and alcohol addictions, women and other vulnerable groups;
* strengthen move on routes for those exiting the adult homeless pathway, including to the private rented sector and social housing.

For more on what we are already doing, see the [City Council website](http://www.oxford.gov.uk/info/20019/homelessness/1242/what_we_do_to_tackle_homelessness). Of course a big part of tackling homelessness is building more housing (particularly affordable housing), which we are working to deliver through our local plan, the Growth Deal and working with neighbouring district councils.

**Expressway and Climate Change**

The Labour Group and the City Council more widely raised its concerns about Climate Change and voted to oppose the Expressway as currently proposed at a recent Council meeting. This follows on from the September meeting of the Growth Board where I successfully argued for the Growth Board not to take a position on the Expressway or particular routes but to emphasise support for sustainable and public transport over expanding roads unless for local connectivity. (NB the minute initially incorrectly recorded the Growth Board’s position but I got it [corrected at the next meeting](http://democratic.southoxon.gov.uk/ieListDocuments.aspx?CId=330&MId=2319&Ver=4)).

**Councillor Susan Brown**

**Leader of the Labour Group**